## **EXHIBIT 5**



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October 11, 2022

## VIA FEDEX & E-MAIL

Mr. Ara Mahdessian, CEO
ServiceTitan, Inc.
801 North Brand Blvd., Suite 700
Glendale, California 91203
amahdessian@servicetitan.com

Ms. Olive Huang, General Counsel
ServiceTitan, Inc.
801 North Brand Blvd., Suite 700
Glendale, California 91203
ohuang@servicetitan.com

Re: Services and License Agreement between JAN-PRO Franchising, Inc. ("JAN-PRO") and ServiceTitan Inc. ("ServiceTitan")

Dear Mr. Mahdessian and Ms. Huang,

I serve as JAN-PRO's General Counsel. Reference is made to that certain Services and License Agreement dated October 31, 2019 initially entered into between JAN-PRO and ServiceTitan's predecessor-in-interest, Servant Systems Incorporated ("SSI"), which was assigned to ServiceTitan and amended by that certain letter agreement dated November 3, 2020 (the agreement as amended collectively referred to herein as the "Agreement").

The purpose of this letter is twofold. First, this letter constitutes notice to ServiceTitan under Section 17 of the Agreement and Section 1 of the Amendment of ServiceTitan's material breach of the Agreement and its failure to deliver a commercially viable product fit for its intended use, and further notice that ServiceTitan has ninety (90) days from receipt of this notice to cure said defaults. Second, notwithstanding, but without waiver of the foregoing, JAN-PRO desires to reach a business solution that is acceptable to all parties as further described below.

## **Background and Notice to Cure**

JAN-PRO selected SSI to provide a three-tier software platform for our Franchise Management System ("FMS"), following a full RFP process. SSI was to customize the Servantia Smartware platform (now known as SmartHub) for use within the JAN-PRO organization as our FMS. The original scope of work contemplated the platform would be available by the end of 2020 at a cost of \$730,000. Unfortunately, the initial test run of the platform in October 2020 uncovered substantial problems.

During this time, ServiceTitan acquired SSI and, after discussions between the parties, JAN-PRO consented to the assignment of the Agreement to ServiceTitan. The parties also agreed to changes redefining critical business functionality, costs and completion timelines, with September 2022 the most recent anticipated completion date.

There were additional problems with the platform during the early 2021 test run at the designated "Alpha Site" in Chattanooga resulting in the platform going offline in May 2021 and compelling the parties to meet in June 2021 to address the problems. The parties agreed on the "300 List" of bugs and action items to correct and complete to launch the platform. Service Titan put the platform back into the development phase, and while JAN-PRO has since invested substantial additional internal resources and efforts to keep the project on track, Service Titan's dedicated resources to the project has steadily decreased. Excluding the significant expenses incurred for internal resources and efforts, these problems and additional work have resulted in JAN-PRO paying almost \$900,000 in additional costs and fees to Service Titan.

The next test run of the platform in early 2022 showed some promise, but additional problems were quickly identified. Unfortunately, the subsequent attempted fixes to the platform only compounded the existing problems, which were uncovered when the platform went live in July 2022 at the Nashville, Tennessee location. Additional changes since have caused further deterioration of the platform. This includes failures that prevent the platform from carrying out critical and necessary business functions of the FMS, such as invoicing customers and handling financial and accounting data. Other critical problems exist with the second live roll out at the Columbia, South Carolina location, which began in September 2022. For example, the platform is suffering new data migration problems apparently caused by ServiceTitan's additional code changes. Hence, it is not feasible for any other location to go live with the platform due to the platform's instability and inoperability. In addition, our Regional Franchise Developers and the people who use and support the platform on a daily basis now question its stability and viability, and franchisee support for the platform is waning.

Since mid-August 2022, JAN-PRO's President Gary Bauer has worked through ServiceTitan's Don DeSmith to arrange a meeting with a ServiceTitan executive level contact to discuss our concerns. After 6 weeks, Mr. Bauer finally received the name of a contact (Keith Favreau, a Vice President of Sales), but no meeting has been scheduled.

In sum, JAN-PRO has paid approximately \$1.6 Million to ServiceTitan for a platform that does not work as intended and was supposed to cost less than half that amount. The platform, which was originally supposed to be operational nearly two years ago, and after rescheduling and delays, was supposed to be operational by the end of last month, does not function properly. These failures constitute material breaches under the Agreement, including: 1) FMS functionality returns substantially incorrect results making master franchisees unable to perform functions necessary to support successful business operations; and 2) FMS functionality is unreliable. (Agreement § 17 & Ex. A). This also constitutes a failure by ServiceTitan to fulfill its obligations to maintain the FMS, which authorizes JAN-PRO to receive the FMS source code. (Agreement § 17; Amendment § 1). Accordingly, without

waiving any other breaches under the Agreement, JAN-PRO hereby demands that ServiceTitan complete the actions necessary to cure these breaches within 90 days. (Agreement § 17).<sup>1</sup>

## **Suggestion for Moving Forward**

Without waiver of any of the foregoing, JAN-PRO would prefer to reach a business solution that is acceptable to all parties. JAN-PRO's project team still believes the SmartHub platform can be the right solution for its FMS system, but not without immediate changes in ServiceTitan's current approach to the project and the current state of the platform. As a way to move forward, we propose the following:

- 1. ServiceTitan identify and provide us with contact information for a dedicated executive level contact for this project by October 21, 2022.
- 2. Your designated contact meets with members of the JAN-PRO team byNovember 4, 2022 to discuss our concerns and establish steps to move forward with the end result to be stable code complete no later than December 31, 2022.
- 3. ServiceTitan agrees to a third party comprehensive review of the current platform software code and database architecture to determine if there is a sufficient foundation to move forward on by October 17, 2022. JAN-PRO will choose the third party and pay their fees for this review.
- 4. ServiceTitan and JAN-PRO will meet promptly after the code review to discuss any issues and next steps.

Our team believes this is a reasonable and necessary way to allow the parties to get this project and our relationship back on track. We ask ServiceTitan to work with us and agree to this proposal.

JAN-PRO reserves all of its rights in this matter. If an acceptable solution is not reached, or at minimum some significant and meaningful dialogue and progress does not occur in the next two (2) weeks, JAN-PRO will have to consider all available options to protect itself. This may include terminating the Agreement for cause and taking possession of the platform source code. (See Agreement §§ 4, 12 & 17; Amendment § 3). This may also include pursuing legal claims for breach of contract, breach of express and implied warranties, including the warranties of merchantability and fitness for a particular purpose, and any other applicable legal claims, and seeking all available relief.

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<sup>&</sup>lt;sup>1</sup> The deficiencies described above also constitute a further breach of Section 1 of the Amendment, which must be cured by ServiceTitan delivering a commercially viable product fit for its intended use within 30 days. (Amendment § 1). As set forth below, JAN-PRO is willing to work with ServiceTitan to remedy its breaches and develop the platform into such a commercially viable product.

We hope such actions are unnecessary and that ServiceTitan will work with us to resolve this dispute. We look forward to your prompt response

Sincerely,

Sanjay B. Malhotra General Counsel

cc: Mr. Gary Bauer

Mr. Andrew Forrest

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